

**GOVERNMENT OF INDIA**  
**MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**  
**RAJYA SABHA**  
**QUESTION NO 27.11.2009**  
**ANSWERED ON**  
**RETRENCHMENT OF EMPLOYEES IN MSMEs .**

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SHRI RUDRA NARAYAN PANY

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state :-

- (a) whether employees are being retrenched from micro, small and medium enterprises owing to global recession;
- (b) if so, the total number of employees retrenched;
- (c) whether decline in demand for manufactured goods is the cause of this retrenchment; and
- (d) if production has increased, the details of increase in percentage in the three categories?

**ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES

(SHRI DINSHA PATEL)

- (a) & (b): The global recession adversely impacted the Indian economy, including the micro, small and medium enterprises (MSMEs). However, the number of employees retrenched from MSMEs owing to global recession is not maintained centrally.
- (c): In the wake of global recession, the major problems faced by micro and small enterprises (MSEs) relate to slackening of demand for their products/services, especially reduction in export-related orders, and delayed payments of dues by large units.
- (d): As per the latest estimates available, the MSE sector registered a growth of 13 per cent in production during 2007-08. The comparative production data for medium enterprises is not available